

Program A: Injured Worker Benefits Protection

Program Authorization: Sections 1310.1, 1310.3 b(1) and 1310.6 of the Worker's Compensation Act; LA R.S. 23:1291 B (9), (10), (11) and (12); LA R.S. 23:1291 B (4), (13), C (2) and (5); LA R.S. 23:1034.2, LA 23:1121-1123-1123, LA R.S. 23:1208.1, LA R.S. 23:1295, LA R.S. 23:1168-1172.2, LA R.S. 39:1543

Program Description

The mission of the Injured Workers' Benefit Protection Program is to establish standards of payment as well as utilization and review procedures of injured worker claims; receive, process, hear and resolve legal actions on compliance to state statutes. It is also the mission of this program to educate and influence employers and employees to adopt comprehensive safety and health policies, practices and procedures; and collect fees.

The goals of the Injured Workers' Benefit Protection Program are:

1. Administer a financially sound program to meet current and future claim obligations.
2. Control medical costs.
3. Maximize the quality of care received by workers injured on the job.
4. Administer the resolution of workers' compensation disputes in an efficient, timely, and impartial manner.

The Injured Workers' Benefit Protection Program includes the following activities: mediation and adjudication of all workers' compensation disputes; collection of statistical data on compensable occupational injuries and illnesses; determination of minimum and maximum allowable levels of compensation; development and implementation of medical utilization review procedures; development, implementation and administration of loss prevention safety and health programs; assistance to Louisiana employers with programs pursuant to code of federal regulations (OSHA Consultation); and administration of the Louisiana Cost Containment Program.

RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 2000-2001	ACT 12 2001-2002	EXISTING 2001-2002	CONTINUATION 2002-2003	RECOMMENDED 2002-2003	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$0	\$0	\$0	\$0	\$0	\$0
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	0	0	0	0	0	0
Statutory Dedications	9,744,770	10,328,368	10,328,368	9,696,880	9,424,846	(903,522)
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	545,025	545,025	545,025	553,144	719,478	174,453
TOTAL MEANS OF FINANCING	\$10,289,795	\$10,873,393	\$10,873,393	\$10,250,024	\$10,144,324	(729,069)
EXPENDITURES & REQUEST:						
Salaries	\$5,031,099	\$5,502,479	\$5,502,479	\$4,556,174	\$4,385,465	(\$1,117,014)
Other Compensation	294,685	258,360	258,360	258,360	258,360	0
Related Benefits	1,092,307	1,022,122	1,022,122	855,487	809,043	(213,079)
Total Operating Expenses	2,284,027	1,927,462	1,927,462	1,841,215	1,899,615	(27,847)
Professional Services	776,169	700,000	700,000	700,000	700,000	0
Total Other Charges	432,572	433,682	433,682	1,761,232	1,763,528	1,329,846
Total Acq. & Major Repairs	378,936	1,029,288	1,029,288	277,556	328,313	(700,975)
TOTAL EXPENDITURES AND REQUEST	\$10,289,795	\$10,873,393	\$10,873,393	\$10,250,024	\$10,144,324	(729,069)
AUTHORIZED FULL-TIME EQUIVALENTS: Classified	164	151	151	151	135	(16)
Unclassified	1	1	1	1	1	0
TOTAL	165	152	152	152	136	(16)

SOURCE OF FUNDING

This program is funded with Statutory Dedications and Federal Funds. The Statutory Dedications are derived from the Worker Compensation Fund. (R.S. 39:32B. (8). The Worker Compensation Fund receives revenues from an assessment on all insurance companies and self-insurer's writing worker's compensation insurance in Louisiana. Such assessments are a percentage of the amount reported in the annual reports. Per R.S. 39:36B.(8), see table below for listing of expenditures out of each Statutory Dedicated fund.) The Federal Funds are derives from an Occupational Safe Administration (OSHA) statistical grant. This grant requires a 10% match from the Worker's Compensation Fund.

	ACTUAL	ACT 12	EXISTING	CONTINUATION	RECOMMENDED	RECOMMENDED
	2000-2001	2001-2002	2001-2002	2002-2003	2002-2003	OVER/(UNDER)
						EXISTING
Office of Worker's Compensation Administration Fund	\$8,956,770	\$9,540,368	\$10,328,368	\$9,696,880	\$9,424,846	(\$903,522)
Director of Worker's Compensation Revolving Fund	\$788,000	\$788,000	\$0	\$0	\$0	\$0

MAJOR FINANCIAL CHANGES

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$0	\$10,873,393	152	ACT 12 FISCAL YEAR 2002-2003
			BA-7 TRANSACTIONS:
\$0	\$0	0	None
\$0	\$10,873,393	152	EXISTING OPERATING BUDGET - December 20, 2001
\$0	\$58,565	0	Annualization of FY 2001-2002 Classified State Employees Merit Increase
\$0	\$59,405	0	Classified State Employees Merit Increases for FY 2002-2003
\$0	(\$7,802)	0	Risk Management Adjustment
\$0	\$277,556	0	Acquisitions & Major Repairs
\$0	(\$1,029,288)	0	Non-Recurring Acquisitions & Major Repairs
\$0	\$2,846	0	Rent in State-Owned Buildings
\$0	(\$217,634)	0	Attrition Adjustment
\$0	\$73,815	0	Group Insurance Adjustment
\$0	\$2,296	0	Civil Service Fees
\$0	(\$43,786)	0	Other Adjustments - This adjustment is due to the realignment of positions from this agency to the Office of Workforce Development.
\$0	(\$90,452)	0	Other Adjustments - This reduction in expenditure is based on this office being over funded in the current year in group benefits.
\$0	\$185,410	0	Additional funding for the Louisiana workplace safety program provides free consultation services to employers assisting them in developing effective safety and health programs. Services include on-site walk through, hazard identification, and training and program assistance.
\$0	\$0	(16)	Other Technical Adjustments - Transfer 16 positions to the Office of Workforce Development (Administration Program, Management and Finance Program and the Occupational Information System Program) in order to cover for the Administrative, Services and Technical (AS&T) positions.
\$0	\$10,144,324	136	TOTAL RECOMMENDED
\$0	\$0	0	LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS
\$0	\$10,144,324	136	BASE EXECUTIVE BUDGET FISCAL YEAR 2002-2003

MAJOR FINANCIAL CHANGES

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE
\$0	\$10,144,324	136	GRAND TOTAL RECOMMENDED

PROFESSIONAL SERVICES

\$50,000	Legal Medical-Review of claims for health care rates to insure accuracy and appropriateness
\$285,000	Court Reporters to work with administrative law judges to provide on-site technical assistance in establishing rehabilitation review and monitoring system
\$347,000	Bailiffs (off duty sheriff deputies to maintain security in courtroom for Administrative Law Judges in Alexandria, Baton Rouge, Franklinton, Houma, Harvey, Lafayette, Lake Charles, Monroe, New Orleans, and Shreveport districts)
\$10,000	This provides assistance to citizens throughout Louisiana on information which may lead to an arrest and indictment; to receive information relating to workers' comp fraud from anonymous citizens/callers; and to provide cash rewards for information relating to Office of Workers' Compensation Fraud.
\$8,000	This provides for the Occupational Safety Health Administration to install Microsoft Office that includes Word, Access and Excel that interfaces together. This also establishes a standard conversion method for importing National Council of Compensation Insurance data into Microsoft Access.
\$700,000	TOTAL PROFESSIONAL SERVICES

OTHER CHARGES

\$38,103 Legislative Auditor

\$38,103 SUB-TOTAL OTHER CHARGES

Interagency Transfers:

\$234,790 Department of Justice-Legal Services

\$19,099 Department of Civil Service-Document Processing Fee

\$11,905 Division of Administration-Comprehensive Public Training Program (CPTP)

\$84,008 Office of Employment Security-Fraud investigation of Worker's Compensation Claims

\$54,164 Rent in State-owned Buildings

\$1,200,000 Funding will be transferred to the Office of Workforce Development to handle the Administrative Services and Technical indirect cost for the department

\$73,386 Risk Management Adjustment

\$48,073 Funding will be provided to the Secretary of State for printing, imaging and archiving documents

\$1,725,425 SUB-TOTAL INTERAGENCY TRANSFERS

\$1,763,528 TOTAL OTHER CHARGES

ACQUISITIONS AND MAJOR REPAIRS

\$328,313 This funding will purchase 27 pc's, 27 printers, 5 servers and 1 optical storage unit.

\$328,313 TOTAL ACQUISITIONS AND MAJOR REPAIRS